

Darjeeling Children's Trust: Report of the Trustees for the year ended 31 December 2019

Charity Registration No. 1143109

Principal office address: 151 Abbey Road, Westbury-On-Trym, Bristol BS9 3QH

Trustees :

The following were trustees during the period from the start of 2019 to the date of this report.

Sharan Patel, Hugh Heron, Katherine Carr, Clare Blakeway-Phillips, Marilyn Adams (Chairperson), Vik Patel, Sunita Halai, Elizabeth Nottingham and Lisa Glydon, all of whom are resident in the UK. Pasang Wangdi, Nima Wangdi, and Sonam Dorjee who are resident in India and Tshering Huber, resident in Switzerland.

Governance and Management

The Darjeeling Children's Trust (DCT) is a UK charity governed by UK law. It was originally constituted by Trust Deed in early 2008. This document was amended in June 2011 to comply with a suggested amendment from the Charity Commission to allow full registration to proceed. The current Trust Deed is dated 15 July 2011 and registration by the Charity Commission was confirmed on 27 July 2011.

Recruitment of Trustees

The minimum number of trustees is three. Trustees are appointed for three years by a resolution of trustees passed at a Special Meeting. New trustees are invited to join the Trust when either a vacancy arises due to the resignation of a current trustee or when a gap is identified in the skills available to trustees and which needs to be filled. The procedure followed is in accordance with advice published by the Charity Commission.

Tshering Huber joined the Board on 12 January, 2020 and Lisa Glydon joined the Board on 20 June, 2020.

Sunita Halai and Elizabeth Nottingham resigned as trustees on 12 January, 2020..

Charitable Objectives and Activities

The objectives of the charity are to advance the education and preserve and protect the good health of the children and young people of Darjeeling through the provision and improvement of education facilities, through improvements to their living conditions and through sponsorship.

In September 2012 trustees approved the Trust's second five year plan to cover the period 2013 – 2018 which provides detailed targets which are consistent with the Trust's aims and objectives. This plan set the context against which suggested new projects are assessed. Whilst the plan period has expired the Trust currently is working to achieve the same objectives, subject to a plan review. The plan states that Darjeeling Children's Trust will work with the local community to:

- Sponsor individual children to attend better schools;

- Help improve the physical fabric of schools where conditions have an adverse impact upon children's health and where this work would contribute to the quality of the educational experience, including by inviting supporters of the Trust to adopt individual school improvement projects;
- Fund a travelling library to visit at least 6 primary schools to encourage literacy, access to information and a love of reading and hold an annual story telling competition;
- Provide music teaching in primary schools and for all sponsored children and provide tuition for musically gifted children within these groups to enable them to enter music exams if desired;
- Fund and provide support for young people to undertake hospitality training and nursing training and provide vocational training in needlework at the Girls' Orphanage;
- Fund health improvement measures for girls and boys at a local orphanage;
- Support the rebuilding of a boys' and girls' orphanage to provide an improved living environment for the children and young people;
- Facilitate volunteering in Darjeeling as and when candidates with the appropriate skills and aptitudes present themselves.
- In addition Trustees will ensure a full range of management skills is available to ensure the long term sustainability of Darjeeling Children's Trust and that visits are made by UK Trustees twice a year to Darjeeling so far as is possible.

The trustees have given due regard to the guidance published by the Charity Commission on public benefit.

How the Trust works

The Trust works in close partnership with its beneficiaries in Darjeeling, seeking to jointly establish achievable goals. The Trust has also built up effective relationships with a number of educational and welfare organisations in Darjeeling. It expects to continue these excellent partnership and working relationships and to continue its activities at current levels.

Three trustees of Darjeeling Children's Trust: Major Pasang Wandi, Sonam Dorjee and Nima Wangdi, live permanently in Darjeeling and oversee the work of the Trust on the ground. Visits to Darjeeling were made by two UK based trustees during 2019: Marilyn Adams, Sharan Patel (trustees) and DCT treasurer Robert Adams visited in November. Joint working between UK and India based trustees and the face to face discussions that these visits facilitate, allow regular monitoring of progress and an assessment of the viability of potential new projects in conjunction with local partners.

Trustees take no expenses. Running costs, excluding the set-up costs of fundraising events, are approximately 2% of total costs. Receipts from HMRC gift aid scheme since the Trust was formed outweigh cumulative running costs so all donation and event income goes to the children and young people of Darjeeling.

At the end of 2019 the Trust had raised £702,000 since its foundation in 2008.

Achievements and Performance in 2019

a) Support for schools

There were no requests for DCT to fund school improvements in 2019.

Stationery provision to schools

The numbers of children on the school rolls of the majority of schools previously supported by provision of stationery continues to fall, sometimes to single figures. Provision of stationery has therefore been reduced to those schools which can demonstrate a clear need for support.

b) Travelling Library and Music teaching in schools

Due to the falling number of children on some school rolls, the number of schools visited by the travelling librarian and music teacher was reduced in 2019. In the remaining schools which they continued to visit, support for the project continued amongst school staff and children. A request was received in November 2019 for visits to be made by both teachers to an additional school where pupil numbers have risen and arrangements were made for this to start in March 2020 after the winter holidays.

The Trust's travelling librarian, Tschering, continues to use the broader cross curriculum craft-based approach initiated in 2018. This has allowed the teaching of additional subjects including hygiene and this has proved a success. She also continues to additional tuition to the girls at the Kripasaran Children's Home who were anxious to improve their oral and written language skills, and she also tutors them in traditional dancing.

The work of the Trust's music teacher continues to be supported by staff and children at the schools visited. It was also agreed in November 2019 that Rajib, the Trust's music teacher, would visit the Kripasaran Children's Home every weekend and develop a combined boys' and girls' choir.

d) Vocational training

DCT has continued to provide financial support to young people undertaking vocational training courses, including paying for course fees, books, uniforms and where appropriate for travel and hostel accommodation.

Five young people (three young men and two young women) were accepted in summer 2019 for DCT sponsorship on the hospitality training course at the Food and Craft Institute (FCI), a government college in Darjeeling.

The young people would normally have remained at college for a year until mid 2020 but this process has been interrupted by lockdown due to Covid-19. Further information is awaited at the time of the writing of this report about how their course will be completed and when their 6 months' work placement will take place. This will allow them to each gain a nationally recognised Diploma.

In addition to the students training at the FCI, DCT has also sponsored a young man who had lived the last eight years at an orphanage in Darjeeling. He has studied at the Imperial School of Hotel Management in Lebung, which is located on the edge of Darjeeling.

All six students come from poor families and without support would be unable to do these courses.

Experience has demonstrated that this training provides a successful way into employment by young people who previously were unable to gain work. A number of the graduates from the course now work in Middle East countries and their skills continue to be in high demand both in India and abroad. Experience is showing that they are using their incomes to support their families in Darjeeling in various ways.

Trustees decided in 2015 to try and broaden the vocational training opportunities available to girls with fewer educational qualifications. In the knowledge that there is great demand for beauticians and also that this is a job that can be done from home with very little initial capital outlay, an arrangement was made for training to be provided at a local salon. Since 2015, ten young women have successfully completed the course and have gone on to gain employment. Applications for support were received from a further three young women in November 2019. These were approved and they were enrolled on the course at a local salon at the end of November 2019. Their course has again been interrupted by the Covid-19 emergency.

All three came from low income families and one had lived at the Kripasaran Children's Home. None had a job before starting their training.

The training in needlework skills with an experienced teacher continued through the year at the Kripasaran Girls' Home. Seven senior girls attend regularly and they have developed a range of needlework skills. The girls have continued to enjoy the course and the quality of their work has improved. The skills which they are learning will allow them to return to work at home and earn an independent income if they eventually return to their home villages. One girl who formerly benefitted from these lessons and who now lives in a small town near Darjeeling has bought herself a sewing machine and is earning money by making garments.

e) Supporting redevelopment of the Kripasaran Children's Home

DCT has supported the redevelopment of the Kripasaran Children's Home since 2011 from both conception and development of the idea through to construction. The programme of construction is overseen and managed by a Project Team comprising the three DCT trustees based in India, UK trustees Marilyn Adams and Hugh Heron, Pema Bhante who manages the Children's Home and who also heads the Kripasaran Buddhist Mission which is the commissioning body for the works, together with the Architect, Structural Engineer and Project Manager.

November 2019 marked a major milestone in the project. New dormitories for forty girls were completed at the start of the month and DCT Chairperson, Marilyn Adams, was given the honour of cutting the tape. The opening of the dormitories with associated bathrooms provides an immediate contrast with previous living conditions for the girls in that the new accommodation is light, airy and spacious. The buildings have been constructed to western standards and have double brick walls which will protect the buildings from water ingress during the monsoon. They have been constructed with the advice of the structural engineer and design architect to achieve stability during any future earthquake.

The new buildings will provide an enhanced living environment for the children and young people which will be conducive to their ability to stay healthy and study more effectively, thereby allowing them to achieve better school results and life chances.

f) Health improvements at the Kripasaran Children's Home

Funding for health improvement measures initially concentrated on the Girls' Home in view of their more apparent needs due to the cramped nature of their site and consequent crowded living conditions which have an adverse impact upon their health. Early measures concentrated upon provision of goods such as combs, medicated soap and towels and that has continued for boys and for girls.

All the children at the Kripasaran Girls' and Boys' Homes benefit from visits from a qualified nurse paid for by the Trust who advises them, provides health education and has an overview of their health. She also advises the Trust of specific needs, such as for medication, as they arise. Her role is supported by a young woman who had previously been sponsored by DCT to undertake paramedic training. Her appointment has allowed regular weekly health checks to take place and she also helps the younger girls to wash properly once a week. Whilst the girls of all ages are receptive to this help and advice, some problems have been encountered in engaging with the older boys. However, visits continued over the year and checks were made regularly on the younger boys including their clothes, fingernails and cleanliness. Problems which have been identified include children who are especially dirty; some who have hardly any clothes; and incidents of scabies and other illnesses.

The resources provided by the Trust continue to make a significant difference to the children and young people's health and well-being. The living environment for all the children at the Home has improved immeasurably now that they have all moved into their new dormitory accommodation. Nevertheless, issues will still arise and continuing these health checks is especially important for new arrivals and as children return from their home villages when they may present with problems such as scabies. Any problems are now identified and addressed rapidly and with greater effect.

g) Child Sponsorship

A total of 50 children were being sponsored through the Trust at the end of 2019 together with one young person who was sponsored for beautician's training and two young people who were attending college. These three will receive no further sponsorship once they have completed their courses.

The main challenge facing the Trust is ensuring the continuity of funding for each child, although reserves are sufficient to match any shortfall generated in this way. The scheme is of significant benefit to the children who are now in better education. They appear to have a developing self-confidence and the majority are making good progress in their studies.

Although Trustees seek to ensure that families are completely supportive of the process and are settled in Darjeeling, there can be no guarantee of each child continuing in the scheme. Such an event represents a lost opportunity to another child and a waste of resources to the Trust. Nevertheless, such incidents are infrequent and do not invalidate the programme in any way. There were no such withdrawals in 2019.

Fund raising

Donations, fund raising events and sponsorship are the three largest sources of income for the Trust. All donations in 2019 came from reliable sources.

Whilst the total amount derived from gift aid is not large it is significant when expenditure is considered. The challenge for the Trust in the next few years will be to maintain the level of income under all heads to ensure that funds are available for core activities whilst also increasing the amount available to complete the final phase of the Kripasaran Children's Home redevelopment.

In the current difficult economic climate, DCT is grateful to its supporters for all the monies donated and for the funds which individuals have raised through sponsored events.

Financial Review

Total receipts in the year were £79,109 with payments of £105,209. At the end of 2019 balances were £52,348 of which £9,858 was restricted to the Children's Home project. The remaining £42,490 was held in the UK or in Darjeeling for the Trust's general activities. This balance is at satisfactory level based on the Trust's planned activities and the phasing of costs through the year. All income streams proved reliable in 2019 and the Trust was able to carry out all its planned activities. At the time of writing there has been no noticeable effect from Covid -19.

During the year the Trust's banking was consolidated in to the Co-operative Bank. Previously the Trust had held an account at CAF Bank. In November 2019, the Trust entered into an agreement with a charitable foundation, local to Darjeeling, to ensure a more efficient transfer of funds into the Trust's Darjeeling projects.

Statements of the Receipts and Payments, and Assets and Liabilities, come with this Report and are part of the formal statement for 2019.



Policy on reserves

The Trust's policy on reserves is to maintain a minimum balance of £7,500 for general activities. Reserves were well above this level throughout 2019. This figure will be periodically reviewed. None of the funds held by the Trust are in deficit.

The Trust does not act as the Custodian Trustee for any assets.

The report was approved by trustees as a fair and true account of the Trust's activities at their meeting on 20 June 2020.

Signed on behalf of the Trustees:

Signed		
Name	K.Carr	M.Adams
Position	Chair	Trustee
Date	26Sept 2020	28 Sept 2020

DARJEELING CHILDREN'S TRUST
RECEIPTS AND PAYMENTS 2019

£ Restricted funds	£ Unrestricted funds	2018 £ ALL DCT		2019 £ ALL DCT	CAF BANK	CO-OPERATIVE BANK			Funds held
					£ Restricted funds Appeal	£ ALL CO-OP FUNDS	£ Restricted funds Appeal	£ Unrestricted funds	In Darjeeling (unrestricted) £
57,876	34,012 3,958	95,846	Opening cash balances	UK Darj 75,115 3,333	35,636	39,479 0	0	39,479	UK Darj 3,333
1,803	4,543	6,346	RECEIPTS						
0	9,492	9,492	Regular donations	8,793	0	8,793	2,178	6,615	
37,145	6,477	43,622	Ad hoc donations	19,243	0	19,243	13,965	5,278	
0	24,394	24,394	Fundraising events	14,588	0	14,588	7,525	7,063	
1,041	5,310	6,351	Child sponsorship	26,431	0	26,431	0	26,431	
33	0	33	Gift aid	10,045	0	10,045	1,117	8,928	
			Bank interest (Co-op and CAF)	9	9	0	0	0	
40,022	50,216	90,238	Total receipts	79,109	9	79,100	24,785	54,315	0
			Transfers within the year						
			Inter-bank transfers CAF to Co-op	0	-35,645	35,645	35,645	0	
			Internal transfers	0	0	0	5,393	-5,393	
			Cash transfer to Darjeeling	0		-50,341		-50,341	50,341
			PAYMENTS						
			Darjeeling initiatives						
0	300	300	School improvements and equipment	0	0	0	0	0	0
0	32,016	32,016	Child sponsorship	30,285	0	0	0	0	30,285
44,587	0	44,587	Kripasaran orphanage - Appeal	55,402	0	55,402	55,402	0	0
1,000	5,620	6,620	Vocational training	7,038	0	0	0	0	7,038
0	5,116	5,116	Other activities	6,194	0	0	0	0	6,194
45,587	43,052	88,639	Darjeeling activities	98,919	0	55,402	55,402	0	43,517
0	1,917	1,917	Trust running costs	1,908	0	1,908	0	1,908	0
16,675	405	17,080	Costs of major fundraising	4,382	0	4,382	563	3,819	0
62,262	45,374	107,636	Total payments	105,209	0	61,692	55,965	5,727	43,517
35,636	42,812	78,448	Closing cash balances ALL DCT	52,348	0	42,191	9,858	32,333	10,157
			at Co-op Bank	42,191		42,191	9,858	32,333	0
35,636	39,479 0	39,479 35,636	at CAF Bank	0		0	0	0	0
	3,333	3,333	in Darjeeling	10,157		0	0	0	10,157
35,636	42,812	78,448		52,348		42,191	9,858	32,333	10,157

Notes to Receipts and Payments 2019

- 1 The accounting year was 1.1.2019 to 31.12.2019.
- 2 The Charities Act 2011 allows charities that are not companies to use a receipts and payments format provided they have received not more than £250,000 in the year.
- 3 At the start of 2019 the Trust had accounts at the Co-operative bank and Charities Aid Foundation (CAF). The latter account was a restricted fund, dedicated to the Appeal for the reconstruction of the Kripasaran Buddhist Mission children's home. At 1.1.2019 the balance on this account was £35,635.60. An additional £8.89 was received into the account as interest before closure. In January 2019 CAF bank informed the Trust of its intention to close the account on March 31st 2019: "An area which is proving challenging for us to fulfil is our regulatory obligations where charities have more than one banking relationship through which they manage their money".
- The total balance at CAF Bank was therefore transferred to the Co-op account by March 31st, but remained earmarked for the children's home project. From April 1st funds restricted to the Appeal were held in the Co-op account, separately identified in internal management statements.
- 4 During the year internal transfers were made between the restricted and unrestricted sectors. This was principally to reflect the Trust's resolution of Sept 5th 2019 to transfer £7,343 from unrestricted to restricted to help fund the children's home project.
- 5 **Local charitable payments in Darjeeling**
Cash amounts, in UK pounds and US dollars, are taken by Trustees to India on periodic visits and converted at local exchange rates into rupees to be expended on charitable projects. Purchase invoices and expenditure receipts in rupees are obtained whenever available to account, as far as possible, for the total cash amounts taken by the Trustees from the UK to India. In the Receipts and Payments Account the Trustees allocate the total of the cash amounts taken to India over cost headings in accordance with spending plans, which are determined before each Trustee visit, and with actual spending. Funds are also transferred to Darjeeling electronically:
- by Moneygram
- by bank-to-bank transfer, where the receiving account has the necessary permission to receive foreign contributions.
- 6 Trust running costs in 2019 were:
- | | |
|------------------------------------|--------------|
| | £ |
| costs of independent examination | 1,218 |
| Moneygram, Just Giving and other f | 690 |
| | <u>1,908</u> |
- These running costs are incurred in the UK, in sterling. Running costs in 2019 were 1.8% of total expenditure. Running costs in the three years 2017 to 2019 have averaged 2.1%.
- 7 The HMRC gift aid claims for 2017-18 and 2018-19 were settled during the year. Gift aid on donations to the Appeal have been allocated to this restricted fund.
- 8 The cash balance in Darjeeling at 31.12.2019:
- | | |
|---|---------------|
| | £ |
| - sterling value of DCT funds delivered in Nov 2019 | 9,077 |
| - balance on Post Office card at 31.12.2019 | 1,080 |
| - total funds held | <u>10,157</u> |

DARJEELING CHILDREN'S TRUST

ASSETS AND LIABILITIES at 31.12.2019

		Unrestricted funds £s	Restricted funds £s	Total funds £s
1 Cash funds				
	at The co-operative bank	32,333	9,858	42,191
	in Darjeeling	10,157	0	10,157
		42,490	9,858	52,348
2 Other monetary assets		None	None	
3 Investment assets		None	None	
4 Assets retained for the charity's own use		None	None	
5 Liabilities		None	None	

Authorisation by two trustees, on behalf of all trustees

Signature

Name

Date

K. Carr

26-Sep-20

M. Adams

28th Sept 2020

Independent Examiner's Report to the Trustees of Darjeeling Children's Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 1 and 2.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Geoffrey Speirs FCA
ICAEW
Haines Watts Partnership (Bristol) Limited
Chartered Accountants
Bath House
6-8 Bath Street
Bristol
BS1 6HL

Date 12 October 2020